

0208

Document Information Form

Mine Number: 4007/0013 ^{gk}

File Name: Antennial Mine
Horse Canyon

To: Incoming

From:

Person Jay Marshall

Company UEI

Date Received: 4/19/07

Explanation:

Jay Marshall gave these letters to
The Division during a discussion of
"List 2" issues. These letters clarify
"mitigation acreage" for the road.

cc:



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Price Field Office
125 South 600 West
Price, Utah 84501
<http://www.blm.gov/utah/price/>



MAR 22 2007

In Reply Refer To:

2800

UTU-76614/UTU-76616/UTU-77122/UTU-79542
(UT-070)

R. Jay Marshall
Utah American Energy, Inc.
Lila Canyon Project
P O Box 986
Price UT 84501

Re: Lila Canyon Project – Mitigation Acreage

Dear Mr. Marshall:

I acknowledge receipt of your letter of March 16, 2007 relative to a reduction of required mitigation acreage for the Lila Canyon Project. I concur with your rationale for requesting a reduction of the mitigation acres due to your decision not to use the Horse Canyon to Lila Canyon Road as part of your project. I hereby approve a reduction of mitigation acres from 93.11 acres to 76.14 acres for the Lila Canyon Project based upon the reduction of acres to be disturbed.

Should your plans for the Lila Canyon Project change in the future relative to the Lila Canyon Road, BLM reserves the right to make a determination of needed mitigation when your use of that road is approved.

If you have any questions relative to this determination, please contact Dave Watson, Realty Specialist, at the above address or call (435) 636-3610.

Sincerely,

Roger L. Bankert
Field Manager

DSWatson:rs:3/21/07
Reduced Mitigation Ltr



March 16, 2007

Roger Bankert
 Field Manager
 Bureau Of Land Management
 Price Field Office
 125 South 600 West
 Price, Utah 84501

REFERENCE: Requested Concurrence on Mitigation Acreage

Dear Mr. Bankert:

Thanks for taking the time to meet with me on Monday March 12th. As we discussed in the meeting UtahAmerican Energy, Inc. ("UEI") has committed to mitigating 76.14 acres and not the 93.11 acres stated in the 2000 EA. The proposed mitigation is to offset surface disturbance and raptor nest impacts at our proposed Lila Canyon Mine.

Table 4.2 found in the 2000 EA (UT-070-99-22, breaks down in detail the disturbance associated with the Proposed Action as shown below:

	Habitat Type	Construction Acres	Operation Acres
Lila Canyon Road:			
	Sagebrush-Grass	17.23	13.23
	Pinyon-Juniper	3.74	3.74
Road:			
	Sagebrush-Grass	41.30	31.11
	Pinyon-Juniper	11.11	8.77
Power Line:			
	Sagebrush-Grass	1.22	.98
	Pinyon-Juniper	.35	.28
Mine Surface Facility:			
	Sagebrush-Grass	19	16.4
	Pinyon-Juniper	21.16	18.60
Total Acreage		115.11	93.11

In the early stages of the Environmental Analysis UEI did not know which route would be used for access and as a result impacts from two separate routes were evaluated. Impacts from both the "Lila Canyon Road" (Horse Canyon to Lila), and simply "Road" (Highway 6 to Lila) were evaluated and mitigation acreage was calculated for both. Only one route is needed and as the project plans developed it was determined that access from Highway 6 (Road) would be used and that access from Horse Canyon (Lila Canyon Road) would not be used.

UEI believes that mitigation should only be required for areas actual disturbed. If an area is not disturbed UEI should not be required to mitigate for disturbance that didn't happen. Since the area identified as the "Lila Canyon Road" in the EA will not be disturbed, UEI has removed the 16.97 acres from the total mitigated acres. As a result UEI has committed to mitigate 76.14 acres and not the 93.11 acres stated in the EA.

If in the future UEI decides to construct the "Lila Canyon Road" the resulting mitigation acreage will be negotiated with the BLM.

Should you have any questions or would like to discuss this in more detail please call.

Sincerely;

R. Jay Marshall

Chief Engineer / Project Manager
Lila Canyon Mine